

FISCAL NOTE

Bill #: SB0026

Title: Revise streamlined business licensure procedures

Primary Sponsor: Don Hargrove

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
Other	\$28,964	\$54,990
Revenue:		
Other	\$28,964	\$54,990
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
X		Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

Department of Revenue

1. The One-Stop pilot project currently processes 5,322 licenses at an average cost of \$3.14.
2. The cost to process the 5,322 licenses in the pilot project totals \$16,694.
3. An additional 10,000 licenses are projected to be processed each year of the 2001 biennium; therefore, 15,322 licenses are projected to be processed in FY 2000 and 25,322 licenses are projected to be processed in FY 2001.
4. A 5% reduction in the cost to process a license will be achieved in each year of the biennium; therefore, the cost for each license added in FY 2000 will be \$2.98 and the cost for each license added in FY 2001 will be \$2.83.

5. Volume of new license information is similar to the One-Stop pilot project.
6. Customer information consultants will be able to handle 80% of calls concerning licenses in the One-Stop arena and no additional FTEs will be necessary to implement this bill.

Other agencies

7. The Department of Revenue (DOR) is actively working with agencies this biennium to assure that all pilot licensing systems are compatible with the One-Stop program.
8. State agencies will receive cooperation and technical assistance from the DOR as other licenses become a part of the One-Stop Business Registration and Licensing Project.
9. State agencies will absorb any additional costs that may occur so long as the DOR continues to provide assistance. Significant cost increases can not be absorbed because fee increases may require electorate approval under CI-75.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
FTE		
<u>Expenditures:</u>		
Operating Expenses	\$28,964	\$54,990
<u>Funding:</u>		
Other (Proprietary 06)	\$28,964	\$54,990
<u>Revenues:</u>		
Other (Proprietary 06)	\$28,964	\$54,990
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
Other (Proprietary 06)	\$0	\$0